

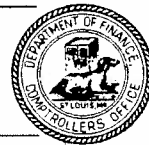
FILE COPY

DARLENE GREEN  
Comptroller



OFFICE OF THE COMPTROLLER  
CITY OF ST. LOUIS

*Internal Audit Section*



✓  
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March 27, 2007

Francie Broderick, Executive Director  
Places for People-Sullivan Street Apts.  
4130 Lindell Ave.  
St. Louis, MO 63108

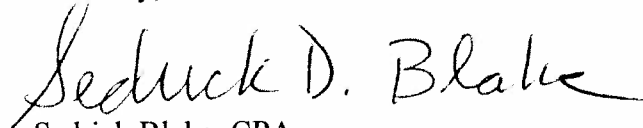
RE: Fiscal Monitoring Report of Places for People-Sullivan Street Apts.  
Transitional Housing Program (#2007-AHC9)

Dear Ms. Broderick:

Enclosed is a report of our fiscal monitoring review of the Places for People-Sullivan Street Apts. (Document #50605) for the period June 1, 2005 Through May 31, 2006. The scope of a fiscal monitoring review is substantially less than an audit, and as such, we do not express an opinion on the financial operations of Places for People-Sullivan Street Apts. Our fieldwork was completed on February 13, 2007.

This review was made under authorization contained in Section 2, Article XV of the Charter, City of St. Louis, as revised and has been conducted in accordance with the International Standards for the Professional Practice of Internal Auditing and through an agreement with the Affordable Housing Commission to provide fiscal monitoring to all grant subrecipients. If you have any questions, please contact Charles Schroeder at 589-6089.

Sincerely,

  
Sedrick Blake, CPA,  
Audit/Fiscal Executive

Enclosure

cc: Angela Morton Conley, Executive Director, Affordable Housing Commission



# CITY OF ST. LOUIS

## *AFFORDABLE HOUSING COMMISSION*

*PLACES FOR PEOPLE-SULLIVAN STREET APTS.  
TRANSITIONAL HOUSING PROGRAM  
DOCUMENT #50605  
CONTRACT #65-05G*

## *FISCAL MONITORING REVIEW*

*JUNE 1, 2005 THROUGH MAY 31, 2006*

*PROJECT #2007-AHC9*

*DATE ISSUED: MARCH 27, 2007*

*Prepared by:  
The Internal Audit Section*



# OFFICE OF THE COMPTROLLER

*HONORABLE DARLENE GREEN, COMPTROLLER*

**CITY OF ST. LOUIS  
AFFORDABLE HOUSING COMMISSION (AHC)  
TRANSITIONAL HOUSING PROGRAM  
PLACES FOR PEOPLE-SULLIVAN STREET APTS.  
DOCUMENT #50605  
CONTRACT #65-05 G  
FISCAL MONITORING REVIEW  
JUNE 1, 2005 THROUGH MAY 31, 2006**

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**CITY OF ST. LOUIS  
AFFORDABLE HOUSING COMMISSION (AHC)  
TRANSITIONAL HOUSING PROGRAM  
PLACES FOR PEOPLE-SULLIVAN STREET APTS.  
DOCUMENT #50605  
CONTRACT #65-05 G  
FISCAL MONITORING REVIEW  
JUNE 1, 2005 THROUGH MAY 31, 2006**

**INTRODUCTION**

**Background**

**Contract Name:** Places for People-Sullivan Street Apts.

**Contract Number:** 65-05G

**Contract Period:** June 1, 2005 through May 31, 2006

**Contract Amount:** \$58,000

This contract provided funds to the Agency to provide on site staffing for an 18 unit apartment building housing people with serious mental illness, and addiction disorders, some of whom were HIV positive.

**Purpose**

The purpose of this fiscal monitoring review was to determine Places for People-Sullivan Street Apts.' (Document #50605) compliance with local Affordable Housing Commission requirements for the period June 1, 2005 through May 31, 2006. We will make recommendations for improvements if necessary.

**Scope and Methodology**

We made inquiries regarding Places for People-Sullivan Street Apts.' internal controls relating to the grant administered by the Affordable Housing Commission (AHC), tested evidence supporting the reports the Agency submitted to AHC and performed other procedures considered necessary. Our fieldwork was completed on February 13, 2007.

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**CONCLUSION AND SUMMARY OF OBSERVATIONS**

**Conclusion**

Places for People-Sullivan Street Apts. did not fully comply with AHC requirements.

**Status of Prior Observations**

This is the first fiscal monitoring review for Places for People-Sullivan Street Apts. under this program. Therefore, the Agency does not have prior observations.

**Summary of Current Observations**

We made a recommendation for the following observation, which if implemented, could assist Places for People-Sullivan Street Apts. in complying with AHC requirements:

- Agency Exceeded Contract Budget Limits by Overcharging Salaries

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**DETAILED OBSERVATIONS, RECOMMENDATIONS  
AND MANAGEMENT'S RESPONSES**

**Agency Exceeded Contract Budget Limits by Overcharging Salaries**

The contract required the Agency to request reimbursements for salaries in accord with the contract personnel schedule. Any changes require the Agency to submit a revised personnel schedule.

We reviewed the request for reimbursement for November 2005. The salary for one employee was requested and reimbursed twice for the same pay period. The employee's first check did not include his overtime. The check was reissued for the correct amount of \$679.25. However, the agency did not reduce its reimbursement request for the \$599.50 for the original check. Since they did not reduce their reimbursement report, they overstated their cost report by the amount of the first check, \$599.50.

We discussed this issue with AHC. They determined the Agency did not have to pay back the \$599.50 because the Agency expended the entire grant before the contract period ended. AHC allowed the Agency to submit another request. The request was for the same employee for a pay period that was not previously reimbursed by the grant.

**Recommendation**

We recommend the Agency review expenditure reports more closely before sending in reimbursement requests.

**Management's Response**

*...(We) concur with your findings...the invoice in question was revised as well as the final invoice for that contract year and submitted to Affordable Housing...*